

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Implementation of Section 8)
of the Cable Television Consumer)
Protection and Competition Act of 1992)
Consumer Protection and)
Customer Service)

MM Docket No. 92-263

**COMMENTS
OF THE
UNITED STATES TELEPHONE ASSOCIATION**

The United States Telephone Association (USTA) respectfully submits these Comments on the Petition for Reconsideration filed by the Coalition of Small Systems Operators (CoSSO) regarding the Commission's Report and Order in this proceeding, released April 7, 8 FCC Rcd 2892 (1993). CoSSO requests that the Commission provide relief from the requirements of new § 76.309 for small cable systems with fewer than 1000 subscribers. USTA supports relief in three narrow areas for small cable systems operated under the "rural area" exemption. Relief is not necessary in other areas; indeed, customer service requirements that are at the level expected of small telephone companies are more appropriate for other small cable systems.

Most of the cable systems owned by telephone companies that operate under the "rural area" exemption would be small systems under the 1000 subscriber test of the Report and Order. In enacting the Cable Television

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Consumer Protection and Competition Act of 1992, Congress provided for some types of relief for small systems. See new § 623(i) of the Communications Act, added by the 1992 statute, providing for relief for small systems regarding rate regulation. The consumer protection and customer service provisions set out in new § 632 do not contain any comparable language requiring that the Commission take the limitations of small systems into account, but its language still permits the Commission to establish standards that accommodate the differences between large and small systems when customer service requirements are met. 47 U.S.C. § 632(b). The Commission's discussion at ¶ 11 of the Report and Order encourages that waiver requests be filed with it, a process that in itself can be burdensome.

USTA member-owned cable systems operating within their telephone service areas generally are not at odds with their franchising authorities over customer service. Indeed, the relationships are quite positive in these "rural area" systems. These systems will not be substantially affected by most of the new customer service standards. Their service is already at or above the standards. See Comments of GTE Service Corporation in this proceeding, filed January 26, 1993 at 2-3 ("Overall, LEC customer service standards are higher than the NCTA standards... Cable system standards should be modeled after existing LEC customer service standards")

However, there are three areas where a small rural area system may benefit from Commission change in new § 76.309(c). The first was addressed by CoSSO; the others were not specifically identified. Beyond these three, the other parts of the rules pose little concern, as most telephone company "rural area" cable systems are at or above those standards now, and other cable systems can achieve the same high level of customer service:

(1) A small cable system should have more flexibility under § 76.309(c)(2)(ii) regarding necessary actions to correct service problems beyond the cable operator's control. The rule requires that corrective action be commenced the next business day after notification of a service problems not within the cable operator's control. The rule may work with respect to everyday outages. However, in rural systems with few subscribers, a natural disaster, or the severe or unusual weather conditions anticipated by § 76.309(c)(4)(ii), typically will have a wide geographic range, and may not be susceptible to an immediate response. In some cases, the elements may have affected the company's telephone system, too. In such cases, telephone system restoration should have priority. The 95% confidence level set out in the rule may provide adequate comfort; however, it may be better simply to require that a cable operator faced with a natural disaster or severe weather condition have the option to adhere to a different arrangement for service restoration when the franchise authority concurs at the time of the event.

This is, in effect, an emergent waiver provision that won't require Commission involvement at the time of the occurrence.

(2) A small cable system should not be bound by the literal language of § 76.301(c)(3)(ii)(B) with respect to billing dispute resolution if the company will credit the customer on its next bill, but its next billing date does not match the 30 day period set out in the rules. The Report and Order (see, e.g., ¶ 67) simply concluded that a fixed period of 45 days was too long. There may be a short time gap between receipt of the initial complaint and when a responsive credit can be made that fits into the billing scheme. It should be adequate to allow billing disputes to be responded to no later than 30 days after the receipt of the complaint, or the next billing cycle where the cable system will resolve the dispute with a credit on the next bill.

(3) Absent a franchising entity requirement, a small cable system also should not have to send annual notices to subscribers with all of the detail set out in § 76.309(c)(3)(i)(A). In a small system, that information is usually easily available by telephone, must be communicated anyway under § 76.309(c)(3)(i)(B) when a significant change occurs, and will always remain available "at any time on request." The costs to complete an unnecessary annual printing and mailing for a small system can be significant. If the franchising entity requires such an annual

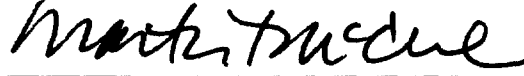
mailing, at least a local cost benefit analysis targeted to the customer base will have taken place.

Finally, USTA does not object to the "conveniently located" bill payment center anticipated by § 76.309(c)(1)(v) if it is accepted that a business office need not be in every franchise community, and can be part of a clustered business operation. Bills should still be able to be mailed to a different place than this "conveniently located" location, so long as a subscriber can nevertheless do business with the cable operator at the required location. That location in a telephone company's "rural area" system may be the same building or address as the local telephone company itself. Such a place should be an acceptable option.

These minor modifications would make "rural area" cable systems more cost effective for these small system cable operators and in turn for their customers.

Respectfully submitted,

UNITED STATES TELEPHONE ASSOCIATION

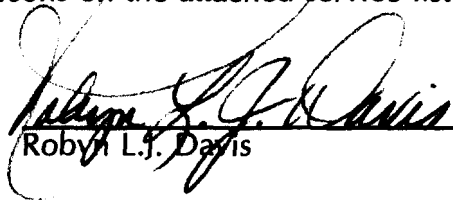
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June 18, 1993

CERTIFICATE OF SERVICE

I, Robyn L.J. Davis, do certify that on June 18, 1993 copies of the Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first-class, postage prepaid to the persons on the attached service list.


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